NOAAH

National Organization of African Americans in Housing

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The Advocate for All People of Color

Testimony of Kevin E. Marchman, Executive Director of the National Organization of African Americans in Housing (NOAAH), before the House Committee on Financial Services, Subcommittee on Housing and Community Opportunity hearing on H.R. 3995, Tuesday, April 23, 2128 Rayburn HOB, 2 p.m.

Chairwoman Roukema, Representative Frank and other members of this subcommittee, my name is Kevin Marchman, and I am Executive Director of the National Organization of African Americans in Housing, NOAAH. Thank you for this opportunity to comment on the Housing Affordability for America Act of 2002.

Like you, NOAAH is a champion of affordable housing opportunities for all people, especially people of color. NOAAH's membership is a unique combination of public housing agencies, including executive staff and board members; housing professionals, consultants and contractors; industry trade groups; neighborhood and resident groups; residents of affordable housing; students and other advocates. Indeed as a former public housing resident, public housing executive director and HUD Assistant Secretary, I have the privilege of leading an organization that has the diversity and experience to look at issues, programs and legislative initiatives from many perspectives.

And while the committee is interested in NOAAH's views on certain public housing issues relative to this bill, I would like the members to be aware that NOAAH's advocacy extends beyond simply those issues highlighted today and includes initiatives and programs targeting environmental and health issues (specifically, lead, mold and pests); expanded homeownership for minorities; economic development for the low-income; fair housing, especially increased penalties for predatory lending; the aggressive disposition of the FHA portfolio; HOME program expansion and a number

of others on behalf of our diverse membership. And while our members often find themselves on competing sides of the same issues, all are committed to expanded opportunities for African Americans and other disenfranchised minorities. With that, again thank you for this opportunity to offer some thoughts on several public housing programs and policies in HR 3995.

Public Housing

- Leveraging of Public Funds: This proposal will allow housing authorities mixed use of private and public financing to rehabilitate and modernize public housing developments. Given the well-documented need for modernization of the public housing stock, we believe this additional tool is quite necessary. While it does and should not replace federal funding, this proposal provides public housing authorities with much-needed financial flexibility to tackle many serious problems, including those related to health and safety.
- Waiver of Resident Commissioner Requirement:

 NOAAH supports this proposed waiver. While we know not all state enabling legislation includes the ability to have residents on boards, and in some instances, may even exclude residents, by all accounts (Congress, HUD, and recently the Supreme Court), I think there is no better accountability than to have residents in roles and on boards to help design the rules, policies and programs that directly impact their lives. We would hate to see PHAs spend time coming up with reasons why they can't or won't have residents in responsible policy-making positions, including and especially on their boards.
- Public Service Requirement: Quite frankly this requirement is unfair, unworkable and unneeded. At the time of its introduction, it was considered a trade-off for subsidized rents--as sort of a payback for participation. Although well-intentioned, this requirement obscures the

more legitimate and real goal of getting folks into jobs and training and into meaningful work or enterprises. Residents who want to volunteer on behalf of the development or neighborhood have always been able to and historically they have. There has never been a shortage of volunteering by public housing residents before this requirement and there is not now. The limited resources of public housing agencies should be spent on providing quality housing and opportunities for self-sufficiency.

- Suspension of filing requirement for small Public Housing Authorities for three years: Good idea, but small agencies should be defined as those that administer 250 or fewer public housing dwellings. Any new reporting requirements should not diminish, at the very least, resident input and participation; reporting items should reflect the direction and financial strength of the agency. Smaller agencies are currently spending precious funds and time on reporting to HUD unnecessary details, which HUD does not have the ability to meaningfully review them in any case.
- Third-party public housing assessment system: This feature gives authority to HUD to develop a prototype of an alternative evaluation system that assesses the overall performance of a public housing agency. We feel this is one of the most positive aspects of this bill. NOAAH and many of our members are working closely with HUD and others on an assessment tool that adjusts for differences in size, resources, infrastructure and stock among the nation's public housing developments.
- **Reauthorization of HOPE VI:** The HOPE VI program is a success. In the overwhelming cases in which the HOPE VI program has been implemented, there has been an increase in not only the quality of the housing stock but also the ability to engage the entire community in the revitalization process. Certainly not perfect, this program has provided

the opportunity to create mixed-income communities that are revitalizing and transforming public housing. NOAAH is currently surveying its public housing agency membership regarding best practices and suggested programmatic and procedural changes to suggest to HUD and Congress for improving this much-needed and innovative program.

- Section 8 Housing Vouchers: NOAAH is also surveying its membership regarding Section 8 vouchers regarding concerns over recaptured funds, fair market rent ratios, increasing the value of certificates, the uneven use of certificates, lessons learned and best practices. I will be certain to share our findings with the Committee as soon as they are available.
- Elderly and Disabled: NOAAH joins other industry groups and leaders in support of programs and policies that will assist public housing agencies in converting their properties to assisted living facilities, and supports CLPHA's Elderly Plus proposal. It would give public housing the same opportunities accorded Sections 8 and 236 to convert units to assisted living facilities for the elderly and disabled.
- Reauthorization of Native American Housing and Self-Determination Act of 1996: We fully support this program. Affordable housing in Indian country ranks among the most needed in the nation. Period. NAHASDA was a breakthrough piece of legislation that deserves reauthorization.

As stated earlier, NOAAH is the housing advocate for *all* people of color; our members are assisting NOAAH staff with identifying, creating and implementing programs to increase the affordable housing stock nationwide and in Puerto Rico. We know that federal funding priorities have changed dramatically since September 11, but our concern continues to be the low- and moderate-income families (disproportionately African-American and Hispanic) who bear the brunt of competing and changing

priorities. NOAAH supports the need for increased funds to assist housing agencies to meet the security needs of their own developments. And it goes without saying, NOAAH would ask Congress to restore the Drug Elimination Program, especially critical to the services and programs that agencies have been able to provide for at-risk youths and adults.

NOAAH membership is constantly documenting best practices, designing initiatives using technology to improve the quality of life, and identifying opportunities—public and private—for expanding the availability of the affordable housing stock and improving the quality of life for the low and moderate income.

Thank you.